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TAGS: [PREL](#) [PGOV](#) [ECON](#) [ETRD](#) [EAID](#) [PINR](#) [MARR](#) [SNAR](#) [OREP](#)
EC
SUBJECT: CODEL REID VISIT SETS POSITIVE TONE WITH NEW
ECUADORIAN LEADERSHIP

REF: QUITO 0003

Classified By: Charge d'Affaires Jefferson T. Brown for Reasons 1.4(b)
and (d)

11. (C) Summary: Codel Reid's visit to Ecuador from December 29-31 sent a message to the incoming government of President-Elect Rafael Correa of USG openness to dialogue, respect for Ecuadorian sovereignty and determination to continue cooperation on issues of mutual importance. The bipartisan visit of Senators Reid, Durbin, Conrad, Gregg, Bennett and Salazar provided an opportunity to see first-hand the effects of U.S. trade preferences and development assistance, and to hear from U.S. business representatives and Ecuadorian interlocutors about the political and economic challenges facing Ecuador. Mission staff also briefed the Codel on bilateral counter-narcotics efforts and other law enforcement cooperation. The Codel's public statements played well in the Ecuadorian press, and Ecuador's incoming leadership and general public were clearly pleased by the high-level attention. End summary.

12. (U) After a slightly delayed arrival, the Codel's first day in Quito included a country team briefing, a meeting with Ecuadorian President-Elect Rafael Correa and several incoming cabinet members, a press conference and a reception at the Ambassador's residence with over one hundred Ecuadorian political, commercial and cultural leaders.

13. (C) Because Correa had earlier insisted that the bilateral meeting take place at a "neutral" location, the meeting was held in a conference room in Quito's Swissotel. The meeting covered the major items on the bilateral agenda, including immigration, counter-narcotics cooperation, corruption, the Andean Trade Preferences (ATPDEA), and Correa's commitment to non-renewal of the agreement that governs the Manta FOL (see reftel for complete readout of meeting). The conversation was animated and frank. The positive atmosphere was underscored and confirmed by Correa's spontaneous decision to attend the Ambassador's reception later that evening, along with several of his ministers-designate, even though he had earlier sent regrets.

14. (C) Following the meeting with Correa, Senator Reid held a press conference on behalf of the Codel. Questions focused on the U.S. Congress' recent six-month extension of ATPDEA and the possibility of a longer-term renewal, even in the face of Correa's determination not to pursue a FTA with the

U.S., nor to renew the FOL agreement past 2009. Senator Reid's stated commitment to a further extension of ATPDEA and respect for Ecuadorian sovereignty vis-a-vis the FOL featured most prominently in the media coverage. Media coverage of the entire visit included over eight video segments and fifty print stories carried across all major Ecuadorian media and international wire services.

15. (C) Even though the Codel visit took place during the "dead week" between Christmas and New Year's, the Ambassador's reception was attended by over 100 luminaries from Ecuador's political, business and cultural circles. Several representatives of Guayaquil's business community flew to Quito to attend the reception, giving the Codel the opportunity to hear a "coastal" perspective on Ecuador's current economic and political situation. Incoming Foreign Minister Maria Fernanda Espinosa and incoming Minister of Government Gustavo Larrea were among those who accompanied Correa at the reception. After welcoming remarks from the Ambassador, Senator Reid gave brief remarks underscoring the importance of respect for the rule of law and democratic institutions, using the case of "Bush vs. Gore" in 2000 as an example of those principles playing out in the U.S. Correa followed by expressing his admiration for the U.S. -- its people and system of government -- extolling in particular its pragmatism and honesty. He said if there were any foreign institution he could import into Ecuador it would be the U.S. Supreme Court and our judicial system, such a contrast to the politicized and interest-driven system that so unfortunately burdens Ecuador. He promised to maintain friendly and open relations with the U.S. based on mutual respect and pursuit of mutual interests.

16. (C) The following day the Codel toured several sites in Ecuador's Imbabura Province, and had the opportunity to meet prominent indigenous mayors Mario Conejo of Otavalo and Auki Tituana of Cotacachi, whose towns have both benefited from U.S.-funded development projects. The CODEL also visited a U.S.-invested floriculture farm and learned about the growth of a lucrative Ecuadorian export industry born as a result of and whose survival largely depends on ATPDEA. The Senators enjoyed lunch with a gathering of Peace Corps volunteers currently serving in Ecuador, many of whom hailed from the Senators' respective states.

17. (C) Comment: Coming two weeks before President-elect Correa's inauguration, the Codel's Ecuador visit sent a positive signal welcomed by the incoming government. Correa has been frank in his opposition to many Bush administration policies, but insistent on his high regard for the American people. It was opportune that his first engagement with Washington visitors was with a Democratic-led Codel, given the affinity Correa has expressed for that party. In that sense, the visit underscored the broad-based nature of bilateral relations, extending well beyond any particular policy areas of difference, and our hope to focus effectively on areas of convergence. End comment.

18. (U) The Codel did not have the opportunity to clear on this cable.
JEWELL